

**AGENDA ITEM 10:      National Flood Insurance Program legislation**

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Requested Action: **Receive report on National Flood Insurance Program (NFIP) reform legislation (H.R. 3370)**

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Background: Congress recently passed NFIP reform legislation (H.R. 3370) that the President is expected to sign. Among other provisions, the legislation provides a more affordable rate structure for policyholders; repeals the requirement that flood insurance premiums increase immediately to full actuarial rates for homes that are sold; restores "grandfathering" for properties that were paying premiums applicable to their initial flood risk rating, allowing owners to pay premiums based on the original risk zone rather than updated flood risk zones; requires FEMA's remapping process to take into account local flood control structures; provides reimbursement for successful consumer map appeals; and restores the "substantial improvement threshold" that triggers a higher flood insurance rate to the historic 50 percent level of a structure's fair market value.

There was also legislation introduced in the last session of Congress (H.R. 4020 by Congressman Garamendi; Flood Insurance for Farmers Act) that would allow new and substantially improved agricultural structures to be built in floodplains by exempting such structures from the flood plans communities must adopt to be eligible for flood insurance from FEMA. Although this legislation is not current in Congress, the Commission might consider supporting it if it is reintroduced in the future.